group ha* inter alia pointed out that they are in full. agreement with trade liberalisation policies of the Government and that Indian enterprisrs be stregthcned to enabie tnem ro com pete effectively in international markets and witn foreign companies.

Suggeiiong made by the Group -u clude:

(i) Restrictions imposed by RBi on banks on lending against pledge of shares be removed.

(ii) Removal ox constraints imposed by Sections 370 and 372. of the Companies Act;

(iii) Indian Companies be allowed V.O issue non voting Shares.

(iv) Reduction of share holding of the financial institutions in the Indian Companies;

(v) Access to low-cost funds abroad for investment in Indian companies; and (vi) Introduction of measures foj speeder margers and acquisitions.

(b) The sugestions made by the Group and other associations and individuals are examined by the concerned Mirustries)agencies of the Go vernment an these suggestions are kept in view while formulating Government's economic policy:

Tardy Utilisation of Asian Devrlop meat Bank Loan

526. SHRI P. UPENDRA: Will the Minister of FINANCE bs pleased to state:

(a) whether the Chairman of the Aslian Development Bank has complained about the tardy utilisation of ADB loan by India.

(b) what are the reasons for the Poor disbursement of the aid; and

(c) what steps Government are taking for prompt utilisation of the aid?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED)., (a) and (b) The Asian Development Bank Mission led by the Vice-President on projects quality had occasion to discuss the utilisation of project aid given to India. The total loan for which agreements have been signed amounts to US dollar 4179.6 million. Against this utilisation till September. 1993 is Us dollar 135.9 million lea" ving a balance amount of US dollar 2820.7 milltion. The main reasons for inadequate utilisation are the delay in finalisation of contracts and procu-ement of goods, availability of counterpart funds and changes in the scope of some of the projects; this has aff-ested the implementaion schedules of some of the projects.

(c) Measures lor improving the utilisation of assistance have been under discussion with the multilateral agencies including ADB. The Government have also taken steps to improve the utilisation of externally aided projects. A project monitoring unit has also been set up in the Department of Economic Affairs to monitor the utilisation of these projects. The Government have also constituted a Committee, namely, "Task Fores on standard bidding documents" whose report is awaited

Increase in debt service in proportion to export

327. SHRI N. E. BALARAM:
SHRI CHATURANAN MISHRA:

Will the Minister of FINANCE b(pleased to state;

(a) whether it is a fact that the debt-service as a proportion of e> ports has jumped from 9.3 per cent it 1980 to 30.7 percent at present; anc

(b) if so, the details and Govern ment's reaction thereto?

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